

**UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF PUERTO RICO**

In re:

THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO RICO,

as representative of

THE COMMONWEALTH OF PUERTO RICO, *et al.*,

Debtors.¹

PROMESA

Title III

No. 17 BK 3283-LTS

(Jointly Administered)

**This filing relates to the
Commonwealth, HTA, and ERS.**

**REPLY OF THE COMMONWEALTH OF PUERTO RICO, THE PUERTO RICO
HIGHWAYS AND TRANSPORTATION AUTHORITY, AND THE EMPLOYEES
RETIREMENT SYSTEM OF THE GOVERNMENT OF THE COMMONWEALTH OF
PUERTO RICO TO RESPONSES FILED BY JOSE LÓPEZ VALENTÍN [ECF NO.
16345], MARIA SEPÚLVEDA TORRES [ECF NO. 17268], AND ZEIDIE SERRANO
GONZÁLEZ [ECF NO. 18260] TO THE THREE HUNDRED FIRST OMNIBUS
OBJECTION (NON-SUBSTANTIVE) TO MISCELLANEOUS DEFICIENT CLAIMS**

To the Honorable United States District Judge Laura Taylor Swain:

The Commonwealth of Puerto Rico (the “Commonwealth”), the Puerto Rico Highways and Transportation Authority (“HTA”), and the Employees Retirement System of the Government of the Commonwealth of Puerto Rico (“ERS,” and together with the Commonwealth and HTA,

¹ The Debtors in these Title III Cases, along with each Debtor’s respective Title III case number and the last four (4) digits of each Debtor’s federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (Bankruptcy Case No. 17-BK-3283- LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation (“COFINA”) (Bankruptcy Case No. 17-BK-3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Puerto Rico Highways and Transportation Authority (“HTA”) (Bankruptcy Case No. 17-BK-3567-LTS) (Last Four Digits of Federal Tax ID: 3808); (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico (“ERS”) (Bankruptcy Case No. 17-BK-3566-LTS) (Last Four Digits of Federal Tax ID: 9686); (v) Puerto Rico Electric Power Authority (“PREPA”) (Bankruptcy Case No. 17- BK-4780-LTS) (Last Four Digits of Federal Tax ID: 3747); and (vi) Puerto Rico Public Buildings Authority (“PBA”) (Bankruptcy Case No. 19-BK-5523-LTS) (Last Four Digits of Federal Tax ID: 3801) (Title III case numbers are listed as Bankruptcy Case numbers due to software limitations).

the “Debtors”), by and through the Financial Oversight and Management Board for Puerto Rico (the “Oversight Board”), as the sole Title III representative of the Debtors pursuant to section 315(b) of the *Puerto Rico Oversight, Management, and Economic Stability Act* (“PROMESA”),² file this reply (the “Reply”) in support of the *Three Hundred First Omnibus Objection (Non-Substantive) of the Commonwealth of Puerto Rico, the Employees Retirement System of the Government of the Commonwealth of Puerto Rico, and the Puerto Rico Highways and Transportation Authority to Miscellaneous Deficient Claims* [ECF No. 16021] (the “Three Hundred First Omnibus Objection”). The Debtors respectfully represent as follows:

1. On March 12, 2021, the Debtors filed the Three Hundred First Omnibus Objection seeking to disallow certain deficient claims (the “Deficient Claims”) which purport to assert obligations of the Commonwealth, ERS or HTA, but either (i) failed to provide any information identifying the nature or source of the obligations or explaining why the Commonwealth, ERS, HTA or any other Title III debtor is liable to the claimant, or (ii) identified the nature or source of the obligations, but failed to explain how the Commonwealth, ERS, HTA or any other Title III debtor is liable to the claimant. Moreover, a Mailing³ was sent to each of the claimants who filed Deficient Claims requesting additional information and supporting documentation, but virtually all of the claimants did not respond.

2. Any party who disputed the Three Hundred First Omnibus Objection was required to file a response by 4:00 p.m. (Atlantic Standard Time) on April 14, 2021, in accordance with the Court-approved notice attached to the Three Hundred First Omnibus Objection as Exhibit C, which was served in English and Spanish on the individual creditors subject to the Three Hundred First

² PROMESA is codified at 48 U.S.C. §§ 2101-2241.

³ Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Three Hundred First Omnibus Objection.

Omnibus Objection, the U.S. Trustee, and the Master Service List (as defined in the *Fifteenth Amended Case Management Order* [ECF No. 17127-1]).

3. The following responses addressing the Three Hundred First Omnibus Objection were interposed:

- *Claimant's Response to the Three Hundred and First Omnibus Objection* [ECF No. 16345] (the "López Valentín Response"), filed by Jose López Valentín ("López Valentín").
- *Response to Omnibus Objection* [ECF No. 17268] (the "Sepúlveda Torres Response"), filed by Maria Sepúlveda Torres ("Sepúlveda Torres"); and
- *Omnibus Objection Reply* [ECF No. 18260] (the "González Serrano Response," and together with the López Valentín Response and the Sepúlveda Torres Response, the "Responses") filed by Zeidie W. González Serrano ("González Serrano," and together with López Valentín and Sepúlveda Torres, the "Claimants").

I. The López Valentín Response

4. López Valentín filed a claim on July 8, 2020, which was logged by Prime Clerk as Proof of Claim No. 178186 (the "López Valentín Claim"). The López Valentín Claim consists of a portion of a handwritten letter which asserts liabilities in an unspecified amount associated with a pending litigation. The López Valentín Claim does not contain any additional information or supporting documentation.

5. The López Valentín Response was filed on April 6, 2021. Therein, López Valentín states that he is a member of the "Alejo Cruz Santos Plaintiff Group." The attorney representing all claimants in the litigation captioned *Alejo Cruz Santos et al. v. Puerto Rico Department of Transportation & Public Works*, No. RET0206-1493 (the "Cruz Santos Litigation") filed a master proof of claim on behalf of all plaintiffs in the Cruz Santos Litigation, which was logged by Prime Clerk as Proof of Claim No. 29642 (the "Cruz Santos Master Claim"). The Cruz Santos Master Claim attaches a chart identifying each plaintiff in the Cruz Santos Litigation. López Valentín is

one of the plaintiffs identified on that chart. Further, neither the López Valentín Claim nor the López Valentín Response appears to list any additional liabilities or bases for liability beyond what is included in the Cruz Santos Master Claim. Accordingly, the López Valentín Claim is duplicative of the Cruz Santos Master Claim.

II. The Sepúlveda Torres Response

6. Sepúlveda Torres filed a claim against the Commonwealth on September 23, 2020, which was logged by Prime Clerk as Proof of Claim No. 176231 (the “Sepúlveda Torres Claim”). The Sepúlveda Torres Claim asserts \$56,400.00 in liabilities purportedly arising from various laws, including “Law 124” and “Law 89.” The Sepúlveda Torres Claim does not attach any supporting documentation or provide any additional information regarding the basis for the Sepúlveda Torres Claim.

7. The Sepúlveda Torres Response consists of a copy of a completed Mailing. Therein, Sepúlveda Torres asserts liabilities purportedly arising from her prior employment with the Puerto Rico Telephone Company. Sepúlveda Torres Response at 2. As supporting documentation, the Sepúlveda Torres Response attaches an employment certification from Claro, the successor entity to the Puerto Rico Telephone Company. Sepúlveda Torres Response at 7.

8. The Puerto Rico Telephone Company, however, is not a Title III Debtor. Rather, the Puerto Rico Telephone Company was a former government entity which has subsequently been privatized and, accordingly, is no longer in existence. Neither the Sepúlveda Torres Response nor the Sepúlveda Torres Claim provides a basis for asserting a claim against the Commonwealth or any other Title III Debtor in respect of amounts owed by the Puerto Rico Telephone Company. Accordingly, because Sepúlveda Torres has not provided a basis for asserting the liabilities associated with the Sepúlveda Torres Claim against the Debtors, the Debtors respectfully request

the Sepúlveda Torres Claim be disallowed in its entirety.

III. The González Serrano Response

9. González Serrano filed a claim against the Commonwealth on July 28, 2020, which was logged by Prime Clerk as Proof of Claim No. 174485 (the “Gonzalez Serrano Claim,” and together with the López Valentín Claim and the Sepúlveda Torres Claim, the “Claims”). The González Serrano Claim asserts liabilities in an unspecified amount and identifies “Law 89 (Romerazo)” as the basis for the claim. The González Serrano Claim does not attach any supporting documentation or provide any additional information regarding the basis for the González Serrano Claim.

10. The González Serrano Response was filed on September 27, 2021. Therein, González Serrano asserts that she is owed back-pay as a former employee of the Puerto Rico Telephone Company “because it is money owed through the enactment by the government of the Commonwealth or PR of laws that were passed in the period when the P.R.T.C. was government.” González Serrano Response at 1. As supporting documentation, the González Serrano Response attaches an employment certification from Claro, the successor entity to the Puerto Rico Telephone Company. *Id.* at 3.

11. The Puerto Rico Telephone Company, however, is not a Title III Debtor. Rather, the Puerto Rico Telephone Company was a former government entity which has subsequently been privatized and, accordingly, is no longer in existence. Neither the González Serrano Response nor the González Serrano Claim provides a basis for asserting a claim against the Commonwealth or any other Title III Debtor in respect of amounts owed by the Puerto Rico Telephone Company. Accordingly, because González Serrano has not provided a basis for asserting the liabilities associated with the González Serrano Claim against the Debtors, the Debtors respectfully request

the González Serrano Claim be disallowed in its entirety.

12. Accordingly, the Debtors respectfully request that the Court grant the Three Hundred First Omnibus Objection and disallow the Claims, notwithstanding the Responses.

Dated: January 5, 2022
San Juan, Puerto Rico

Respectfully submitted,

/s/ Hermann D. Bauer

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